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# Find the right fit

## Determining when Nationwide CareMatters® II is a fit for your clients

Most people will need long-term care (LTC) at some point during their lives,<sup>1</sup> and the costs can be significant. Nationwide CareMatters II offers your clients an efficient way to plan for these potential expenses with LTC coverage plus a death benefit for cost recovery if LTC benefits are not needed.

### Four potential client profiles that may be a good fit for Nationwide CareMatters II

#### 1 | Clients ages 30 to 75 with “sleeping assets” or cash, such as:

- CDs or bonds that are maturing
- Proceeds from selling a business
- Funds from downsizing/selling a home
- A recent inheritance

**Concern:**

The impact an LTC event could have on their spouse, family and finances

**Payment type:**

Single pay to five-pay premiums

#### 2 | Clients ages 55 to 67 closing in on retirement who are:

- In the peak of earning capacity with excess income available for premiums
- Preferably age 59½ or older so they can access qualified money (without 10% penalty tax) not needed for retirement income

**Concern:**

The financial and lifestyle risks that LTC expenses could have on their spouse

**Payment type:**

Five-pay or 10-pay premiums  
Pay to Attained Age 100<sup>2</sup>

#### 3 | Retirees with IRAs, annuities or income sources to reposition:

- Required minimum distributions (RMDs) from IRAs (after-tax amount) not needed for income purposes
- Annuities not needed for retirement income purposes
- Social Security benefits not needed for living expenses

**Concern:**

Protecting assets/income from depletion  
Reducing LTC dependence on family

**Payment type:**

Five-pay or 10-pay premiums

#### 4 | High earners, not rich yet (HENRYs) ages 30 to 55 who:

- Have excess annual liquidity
- May have experienced providing care for a parent or grandparent
- See the value of buying earlier rather than later
- Would like to insure their parent(s) for LTC to protect their own savings and retirement assets

**Concern:**

Protecting assets/income from depletion  
Reducing LTC dependence on family

**Payment type:**

Five-pay or 10-pay premiums  
Pay to Attained Age 65<sup>3</sup>  
Pay to Attained Age 100<sup>2</sup>

<sup>1</sup> “How much care will you need.” LongTermCare.gov. 2017.

<sup>2</sup> Available to Issue Ages 30 - 65.

<sup>3</sup> Available to Issue Ages 30 - 54.

If you have clients who fit these profiles, ask the following questions to better understand when Nationwide CareMatters® II may be the right solution for their needs, should they require care:

**Where do you want to receive care?**

More than half of all LTC claims begin with care provided in the home.<sup>4</sup> Ask clients what type of home they have and what modifications would be required for them to remain safe and keep the home accessible. Nationwide places no restrictions on how your client spends their LTC benefit.

**Who would you want to provide your care?**

Don't assume that a client would want a family member to provide care. Have a conversation to understand their situation and preferences. Some clients may want a licensed provider, while others may prefer family members, friends or less expensive unlicensed caregivers to provide care. Nationwide CareMatters II places no restrictions on how LTC benefits are used, so clients have choice and flexibility on whom they pay to provide their care.<sup>5</sup>

**Would you prefer to receive a full monthly cash LTC benefit or have the insurance company reimburse only your qualified LTC expenses?**

Finally, make sure clients understand how claims are paid, and find out which claims payment model best suits their needs.

A cash indemnity benefit pays the owner the full available LTC benefit amount each month. Clients can pay for what they need when they need it, without expenses being monitored or approvals being needed by the insurance company.

The other choice is a reimbursement benefit that reimburses either the policyowner, the facility or the service provider directly — but only for the exact amount of qualifying LTC expenses. There may be no coverage (such as for transportation) or limitations for other needs (such as home modifications), and they must be approved and/or be part of the policy provisions.

<sup>4</sup> "Most Long Term Care Insurance Claims Begin and End At Home," American Association for Long-Term Care Insurance, [www.aaltci.org/news/long-term-care-insurance-association-news/most-long-term-care-insurance-claims-begin-and-end-at-home](http://www.aaltci.org/news/long-term-care-insurance-association-news/most-long-term-care-insurance-claims-begin-and-end-at-home) (2/23/2017).

<sup>5</sup> Under certain circumstances, benefits may be taxable. Clients should consult a tax advisor.



To learn more about the benefits Nationwide CareMatters II has to offer your clients, please visit [nationwidefinancial.com/carematters](http://nationwidefinancial.com/carematters) or call us at:

<b>National Sales Desk:</b>	1-800-321-6064
<b>Nationwide Financial Network®:</b>	1-877-223-0795
<b>Brokerage General Agents:</b>	1-888-767-7373



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Nationwide CareMatters II is a cash indemnity product that pays LTC benefits when the insured person is certified to have a qualifying condition and a need for LTC services. Bills and receipts showing actual expenses do not have to be submitted for payment of benefits once a claim has been approved. Each year, the policyowner can receive, tax free, the greater of the HIPAA per diem amount or actual LTC costs incurred. However, benefits may be taxable under certain circumstances. Policyowners should consult with their tax and legal advisors about their specific situation.

Long-term care benefits are paid as an advance payment of the Nationwide CareMatters II policy's death benefit while the insured is still living. Accelerating the death benefit, along with loans and withdrawals, reduces both the death benefit and cash surrender value of the policy. Care should be taken to make sure that life insurance needs continue to be met even if the entire death benefit is accelerated or if money is taken from the policy.

Individual care needs and costs will vary, and there is no guarantee the policy will cover the entire cost of the insured's long-term care. Nationwide pays benefits to the policyowner. If the policy is owned by someone other than the insured, there is no guarantee the policyowner will use the benefits to pay for LTC services.

Product features — including benefits, exclusions, limitations, terms and definitions — may vary by state.

All guarantees and benefits of the insurance policy are backed by the claims-paying ability of the issuing insurance company. Policy guarantees and benefits are not backed by the broker/dealer and/or insurance agency selling the policy, nor by any of their affiliates, and none of them makes any representations or guarantees regarding the claims-paying ability of the issuing insurance company.

Approval for coverage under the policy and riders is subject to underwriting and may require a medical exam.

Products are issued by Nationwide Life and Annuity Insurance Company, Columbus, Ohio.

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